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OGC HAS REVIEWED.

4 October 1955

MEMORANDUM FOR THE RECORD

SUBJECT: CIA Building - Construction

1. About 30 September, [ ] of the Real Estate and Construction Office, brought to my attention Executive Order 10210 which, among other provisions, establishes the maximum A & E fee at 6%. HEC had been contemplating a 7% contract with the architect and wanted to know what the effect of this Executive Order might be.

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2. The attachment cites the application of the Order and the statutory authority under which it was issued. It will be noted that the agencies covered expressly, <sup>including</sup> Defense and GSA, account for almost all Government construction. Consequently, although this Agency has not been specifically subjected to the Executive Order, the general Government practices established by the Order seems clear.

3. Consequently, on 4 October, by telephone, I advised [ ] of HEC that, although we were not legally bound by this provision, the violation of the principle it expressed would seem improper without strong justification, and that the awarding of an architect's contract at a fee higher than 6% would probably lead to outcries from GSA or other concerned persons or agencies, and might well have a deleterious effect on our future requests for appropriations for the building.

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[ ]  
Office of General Counsel

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